Program Budget Pages

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PROGRAM BUDGET PAGES

INTRODUCTION

In FY 2022, the City of Norfolk began the transition to a program-based budget, which is a best practice in municipal budgeting. The FY 2023 Budget will mark the second iteration of the city's shift to program-based budgeting. The goal of the transition is to develop a public budget document that clearly communicates what programs are offered to our stakeholders: residents, visitors, businesses, and city agencies; and the resources it takes to provide those services.

The adopted FY 2022 Operating Budget included a separate Program Catalog document that defined citywide programs for all city executive departments. Beginning in FY 2023, the program catalog and department budget pages in the budget document have been merged into Program Budget pages. These pages provide a detailed breakdown of the allocation of resources at the programmatic level. The Government Finance Officers Association (GFOA) defines a program as "a set of related activities or tasks intended to produce a desired result for constituents." City programs may consist of several different types of tasks or services, but all functions support a common goal. These Program Budget pages will replace department budget pages and will more accurately represent the current organizational structure of tasks within each department. The budget development process continues to leverage programmatic data to facilitate decision-making.

Goals

- Improve public transparency around city services and how they are funded
- Improve administration's ability to conduct decision-making around City Council priorities

Background

During FY 2021, departments took a first step towards program budgeting by defining their programs and services from the constituent's perspective. After programs were identified, departments provided program descriptions that clearly explained what each program accomplishes. From there, each department's budget was mapped to allocate full time equivalents (FTEs) and non-personnel cost by program.

The FY 2023 budget document includes the addition of defined goals for each program, performance measures to show progress toward the programs goal and additional program attributes to provide an overview of the program.

City Council Appointee Offices, Constitutional Offices, Elections, and Courts have not yet worked with the Budget Office to identify and define their programs and services. However, these agencies are included in Program Budget pages. The pages for these programs are portrayed slightly different since the entire department is classified as one program. The following table is a summary of the Council Appointee Offices, Constitutional Offices, Elections, and Court departments, along with a reconciliation to total operating funds.

Table 1: Departments/Offices excluded from the FY 2023 Program Budget

Departments/Office	FY 2023 Proposed Budget
Circuit Court Judges	$924,547
City Attorney	$5,334,385
City Auditor	$1,042,808
City Clerk	$1,778,547
City Council	$386,839
City Real Estate Assessor	$2,557,402

Departments/Office	FY 2023 Proposed Budget
City Treasurer	$2,907,092
Clerk of the Circuit Court	$3,324,301
Commissioner of the Revenue	$3,355,447
Commonwealth's Attorney	$6,828,146
Elections	$1,031,721
General District Court	$260,761
Juvenile and Domestic Relations Court	$81,833
Magistrate	$11,656
Norfolk Juvenile Court Service Unit	$168,029
Sheriff and Jail	$41,391,450
Subtotal	**$71,384,964**
General Fund Program-Based Budget	**$934,089,469**
Nongeneral Funds Program-Based Budget	**$356,872,423**
Total Operating Budget	**$1,362,346,856**

CITYWIDE PROGRAMS

Several programs are used across departments to capture administrative, financial, and management functions that are broadly similar across the city. Examples of these functions include staff recruitment services, invoice payment processing and strategic planning. These are classified as Department Overhead Programs. There are also programs specific to Nongeneral Funds. These programs include reimbursements paid to the General Fund and debt service payments specific to the fund.

Department Overhead Programs

Each city department has programs that are unique to the services they provide. However, certain overhead functions are similar across the city. Since these programs are similar in scope, they have been categorized into three distinct programs (Administrative Support, Director's Office, and Leadership and Support) that capture the administrative, financial, and management/leadership functions across city departments and agencies. More in depth information on department overheard costs related to specific programs is included in each Department in the "Departmental Program Budget Pages" section.

The criteria used to classify each category is as follows:

• Larger organizations with greater than 55-65 FTEs, typically have distinct administrative support and leadership/ strategy functions. These organizations are reflected in either the Administrative Support program or the Director's Office program.

• Departments/agencies with fewer than 55-65 FTEs typically have less of a need for dedicated staff to perform specific administrative functions. Often a single administrative professional will perform all of these functions. In these organizations the leadership/strategy and administrative support functions are combined into one program called "Leadership and Support".

Resource allocation for overhead programs is included in the program budget pages for each department. The following section provides program descriptions for each overhead program.

Program: <u>Administrative Support</u>

Program Description: The Administrative Support Program conducts department wide human resources and financial operations. The program includes financial reporting, managing the departmental budget, financial planning, procurement and contract management, payment processing, and revenue collection, where applicable. It would not include those functions to support other city departments or the public. This Program designation is used for larger departments / agencies which are of such a size (greater than 55-65 FTE's) that it requires a team of folks to provide ongoing administrative support.

Program: <u>Director's Office</u>

Program Description: The Director's Office Program implements the City Manager's and City Council policies, sets the goals and strategies for the department, and manages department operations. This Program designation is used for larger departments / agencies, which are of such a size (greater than 55-65 FTE's) that long-term planning, strategy, and leadership are separate functions from daily administrative support.

Program: <u>Leadership and Support</u>

Program Description: This Program designation is used in departments / agencies which are of such a size (less than 55-65 FTE's) that the administrative support functions are not large enough to constitute a discrete program. Often a single administrative professional will perform all these functions. As a result, the Leadership and Support program combines both the leadership and strategic planning functions of the director's office and the administrative functions that support departmental personnel, procurement, accounts payable, contract management, and similar functions.

Nongeneral Fund Specific Programs:

Cost Allocation for Citywide Services: This Program captures reimbursements paid from Nongeneral Funds to the General Fund for:

• Administrative services provided by General Fund departments (i.e Finance, Budget, Human Resources, Information Technology, etc.), and

• Other costs paid by the General Fund where all or some of the expense is allocated to Nongeneral Fund departments.

Debt Service: Nongeneral fund programs support their capital programs with fees they charge to users. As a result, the debt service costs for these organizations are included within their annual operating budgets rather than the central debt service budget which supports the capital program of all General Fund departments. The Debt Service Program provides adequate funding to meet the organization's debt repayment schedule for bond obligations used to fund capital projects. Principal, interest, and issuance costs fall under this program.

Division Office: The Division Office Program is used for nongeneral fund organization that are a division of a General Fund department rather than a standalone department. The Division Office program is similar to the Director's Office in that it implements the City Manager's and City Council policies, sets the goals and strategies for the division, and manages the division's operations.

PROGRAM BUDGET PAGES

Program Budget pages are organized by department. Each program page provides a summary of the program's description, overall goal, attributes, and resources. The information sets the stage for the level of service citizens can expect to receive as well as anticipated program outcomes. The Department of Budget and Strategic Planning is continuing its work with city departments in the executive portfolio to develop and track program performance

measures to assist in determining whether a program is meeting the demand of its customers. FY 2023 is a transition year, so full performance data may not be available for every program.

Service Level Classifications

Programs were also assigned service level classifications (SLC) to inform decisions regarding allocation of limited resources. The intent of including a service level classification for each program is to clearly communicate whether a program has the resources necessary to meet the population's demands in a consistent, easy to understand way. This helps to set realistic and appropriate expectations for the service level of each program. The concept of a service level classification considers the demand for each program and how current resources are utilized to meet that demand. The basis for program demand classifications is rooted in one of five standards that set realistic expectations for service delivery. The standards for service delivery are as follows:

• Regulatory – Compliance with regulatory standards set by federal or state agencies

• Established Performance – Historical service delivery, typically over at least a five-year period

• Backlog – How does the current level of resources impact the amount of incomplete work

• Defined Expectation – Clear guidance provided by senior administration or City Council

• Best Practice – Industry standards or benchmarking across similar programs or other cities

• Service level classifications are defined below.

Meets Demand – Maintains: Baseline service level meets demand. A planned approach is used to address service issues. Program goal is generally achieved. Status of the service objective is generally maintained.

Meets Demand – Exceeds: Baseline service level provides service beyond the documented demand. Program goal is achieved. Status of the service objective is generally improved.

Does Not Meet Demand: Baseline service level does not meet demand. Service issues are prioritized as they arise. Lower priority issues are delayed or unresolved. Program goal may not be achieved. Status of the service objective may decline if adjustments are not undertaken.

The following table provides a summary of the number programs, FTEs and cost allocation in each Service Level.

Table 2: Summary of FY 2023 Service Level Classifications

Service Level Classification	Number of Programs	FTE's	FY 2023 Proposed Budget
Meets Demand - Exceeds	6	122	$49,658,106
Meets Demand - Maintains	181	2,961	$728,644,003
Does Not Meet Demand	58	1,157	$130,035,344
Total	**245**	**4,240**	**$908,337,453**

*Table does not include Norfolk Public Schools, Constitutionals, City Council Appointees, and Courts. Norfolk Public Schools programs have service objectives but not service level classifications.

Table 3: Summary of FY 2023 Approved Enhancements by Program

Program	Enhancement	FY 2023 SLC	FY 2023 Amount
Shelter and Support Services	Provide funds for Shelter and Support Services	Meets Demand - Maintains	$2,223,467
Construction, Design, and Engineering	Provide funds to develop flood mitigation investment plan	Meets Demand - Maintains	$1,000,000
Construction, Design, and Engineering	Provide one-time funds for General Project Management	Meets Demand - Maintains	$1,000,000
Norfolk Redevelopment and Housing Authority (NRHA)	Provide funds for NRHA land reimbursement-9601 22nd Bay St.	Meets Demand - Maintains	$762,554
Comprehensive Planning	Provide funds to update the Comprehensive Plan	Meets Demand - Maintains	$750,000
Refuse Collection	Provide one-time funds for vehicle replacement	Meets Demand - Maintains	$689,150
Crisis, Acute and Recovery Services	Provide funds to support crisis intervention services	Does Not Meet Demand	$614,559
Branch Operations	Provide additional funds to expand services	Does Not Meet Demand	$600,000
Account Services	Provide funds for a dedicated advertising contract	Does Not Meet Demand	$500,000
Compensation and Benefits	Provide funds for Commercial Driver's License stipend	Meets Demand - Maintains	$500,000
Emergency Medical Services (EMS) Transport	Provide funds for additional personnel for Emergency Medical	Meets Demand - Maintains	$404,500
Economic Development Incentive Grants and Agreements	Provide funds for Diversity, Equity and Inclusion Grant	Meets Demand - Maintains	$400,000
Zoning	Create a zoning business compliance unit	Meets Demand - Maintains	$397,262
Compensation and Benefits	Increase funds for strategic organizational initiatives	Meets Demand - Maintains	$345,000
Refuse Collection	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$310,000
Street Repairs and Maintenance	Provide funds for road resurfacing equipment	Does Not Meet Demand	$300,000
Administrative Support	Renovate Human Services building	Meets Demand - Maintains	$296,220
Community Initiatives	Provide funds for Office of the Public Defender	Meets Demand - Maintains	$285,000
Nauticus Operations	Provide funds for part-time staff	Does Not Meet Demand	$250,000
Programming and Community Engagement Services	Provide funds to increase patron service capacity	Does Not Meet Demand	$250,000
Recreation Programming	Provide funds for Recreational Programs	Does Not Meet Demand	$239,176
Minority Business Advancement	Increase funds for Office Diversity, Equity and Inclusion	Meets Demand - Maintains	$236,796

Table 3: Summary of FY 2023 Approved Enhancements by Program

Program	Enhancement	FY 2023 SLC	FY 2023 Amount
Park and Forestry Operations	Provide funds to enhance city mowing	Does Not Meet Demand	$219,856
Community Initiatives	Increase funds for Eastern Virginia Medical School	Meets Demand - Maintains	$211,587
Medical Services	Provide funds to enhance Medical and Psychiatric Services	Meets Demand - Maintains	$206,620
Emergency Medical Services (EMS) Transport	Increase funding for medical supplies for Medical Transport	Meets Demand - Maintains	$182,519
Storm Water Infrastructure Operations and Maintenance	Provide one-time funds for Storm Water Operations equipment	Meets Demand - Maintains	$180,000
Storm Water Infrastructure Operations and Maintenance	Provide funds for an electrician for storm water maintenance	Meets Demand - Maintains	$172,756
Sheriff	Provide funds for medical staffing	N/A	$160,000
Event Services and Project Management	Provide funds to enhance event services across SevenVenues	Does Not Meet Demand	$138,228
Leadership and Support	Provide additional staffing for Benefits Administration	Meets Demand - Maintains	$130,744
Storm Water Infrastructure Operations and Maintenance	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$125,000
Traffic Operations	Provide funds to support Signs and Pavement Marking program	Does Not Meet Demand	$123,613
Retirement	Provide funds for Retirement program staffing	Meets Demand - Maintains	$114,332
Branch Operations	Provide funds for Park Place Library reopening	Does Not Meet Demand	$107,708
Property and Evidence	Increase funds for body armor	Meets Demand - Maintains	$101,610
Animal Services and Wellness	Provide funds for additional Zookeeper personnel	Does Not Meet Demand	$100,960
Event Services and Project Management	Provide funds to enhance operations across SevenVenues	Does Not Meet Demand	$95,364
Norfolk Emerging Leaders and Youth Initiatives	Provide funds for enhanced NEL programming	Does Not Meet Demand	$93,870
Grounds and Facility Maintenance	Provide funds for grounds maintenance staffing	Does Not Meet Demand	$85,376
Wastewater Operations	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$85,000
Animal Services and Wellness	Provide one-time funds for a transport vehicle	Does Not Meet Demand	$82,000
Commonwealth's Attorney	Provide funds to enhance evidence cloud storage	N/A	$81,000
Crowd, Traffic, and Special Events Management	Provide one-time funds to replace surveying equipment	Meets Demand - Maintains	$80,000
Equity in Action	Increase funds for Office Diversity, Equity and Inclusion	Meets Demand - Maintains	$78,680

Table 3: Summary of FY 2023 Approved Enhancements by Program

Program	Enhancement	FY 2023 SLC	FY 2023 Amount
Grounds and Facility Maintenance	Provide one-time funds to replace mowers	Does Not Meet Demand	$76,000
Crisis, Acute and Recovery Services	Provide funds for Jail Medical Transition Services	Does Not Meet Demand	$75,000
Parking Facility Maintenance	Provide funds for Parking maintenance vehicles	Meets Demand - Maintains	$75,000
Street Sweeping	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$75,000
Water Production	Support regrade for Waterworks Operator employees	Meets Demand - Exceeds	$71,495
General Vehicle and Equipment Repair and Services	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$70,000
Customer Service and Information Hub	Provide funds to enhance Norfolk Cares call center	Does Not Meet Demand	$69,518
Leadership and Support	Provide funds for a Senior Fiscal Systems Manager	Does Not Meet Demand	$68,868
Network and Security	Provide funds for Network Security staff	Meets Demand - Maintains	$67,684
City Attorney	Provide funds for zoning business compliance unit attorney	N/A	$67,528
Business and Financial Reporting Management	Provide funds to enhance grant management	Meets Demand - Maintains	$64,523
Employee Relations and Compliance	Enhance Employee Engagement programming	Meets Demand - Maintains	$64,484
Grants Management	Add a Programs Manager to support Outside Agencies	Meets Demand - Maintains	$63,216
Leadership and Support	Provide funds to enhance business and strategic planning	Meets Demand - Maintains	$62,028
Environmental Sustainability	Provide funds for an Energy Management Coordinator	Does Not Meet Demand	$61,728
Crime Investigations	Provide one-time funds to update equipment	Meets Demand - Maintains	$61,554
Debt and Cash Management	Provide funds for a Senior Cash and Investment Analyst	Meets Demand - Maintains	$58,396
Neighborhood and Housing Preservation	Increase support for Rehabilitation Program	Meets Demand - Maintains	$58,396
Water Distribution	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$55,000
Leadership and Support	Expand the Employee Wellness program	Meets Demand - Maintains	$53,680
Leadership and Support	Provide administrative support	Meets Demand - Maintains	$53,680
City Real Estate Assessor	Provide one-time funds to replace two vehicles	N/A	$52,000
Coastal Resilience	Provide funds for flooding app software contract	Meets Demand - Maintains	$50,000

Table 3: Summary of FY 2023 Approved Enhancements by Program

Program	Enhancement	FY 2023 SLC	FY 2023 Amount
Property and Evidence	Provide one-time funds to upgrade storage systems	Meets Demand - Maintains	$50,000
Housing Policy and Real Estate	Provide funds for a Real Estate Coordinator position	Meets Demand - Maintains	$49,780
Freedom of Information Act	Provide funds to support increasing FOIA requests	Meets Demand - Maintains	$46,728
VDOT Project Management	Provide funds for an Engineering Technician position	Does Not Meet Demand	$45,804
Preventative Maintenance	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$45,000
Recreation Programming	Provide funds for Outdoor Adventure Programs staff	Does Not Meet Demand	$42,756
Recreation Programming	Provide funds to enhance fitness programming	Does Not Meet Demand	$41,912
Refuse Collection	Provide funds for refuse containers	Meets Demand - Maintains	$41,650
Leadership and Support	Increase funds for Office Diversity, Equity and Inclusion	Meets Demand - Maintains	$38,672
Quality Assurance and Inspection	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$35,000
Survey Services	Provide funds for surveying GPS equipment and software	Meets Demand - Maintains	$34,800
Workforce Services (Norfolk Works)	Provide funds to expand NorfolkWorks	Meets Demand - Maintains	$31,408
Crowd, Traffic, and Special Events Management	Provide one-time funds to replace underwater communications	Meets Demand - Maintains	$30,000
Animal Health and Welfare	Provide funds for an additional Animal Caretaker	Does Not Meet Demand	$26,200
Floodplain Management	Provide funds for a floodplain management software	Meets Demand - Maintains	$25,000
Training	Provide funds for ammunition for training	Meets Demand - Maintains	$25,000
Housing Policy and Real Estate	Provide funds to establish a Housing Finance Specialist	Meets Demand - Maintains	$18,728
Animal Health and Welfare	Provide funds for supplies and materials	Does Not Meet Demand	$15,000
Office of Fire-Rescue Chief	Provide one-time funds to support Equity and Diversity event	Meets Demand - Maintains	$15,000

**Table 3: Summary of FY 2023 Approved Enhancements by Program**

Program	Enhancement	FY 2023 SLC	FY 2023 Amount
911 Emergency Communications	Provide funding to upgrade third party alarm communications	Does Not Meet Demand	$10,000
Grounds and Facility Maintenance	Provide one-time funds for small power equipment replacement	Does Not Meet Demand	$10,000
Water Production	Provide funds for a Commercial Driver's License stipend	Meets Demand - Exceeds	$10,000
Construction, Design, and Engineering	Provide funds for a Commercial Driver's License stipend	Meets Demand - Maintains	$5,000
City Treasurer	Provide one-time funds to purchase scanners	N/A	$4,000
Poverty Intervention	Renovate Human Services building	Meets Demand - Maintains	$3,780
911 Emergency Communications	Create call-taker-only positions	Does Not Meet Demand	$0
Accounts Receivable	Provide funds for a Senior Collection Coordinator	Meets Demand - Maintains	$0
Citywide Policy Management	Provide a Special Assistant position	Meets Demand - Maintains	$0
Total			**$17,486,503**

To assist in understanding the contents of the Program Budget pages, the following section provides examples of how to read and understand the information contained in the Program Budget pages section.

HOW TO READ PROGRAM BUDGET PAGES

Program Descriptors

For each program, the top section provides useful context and description for the program. This includes the department the program is associated with, program name and description. The description is a short explanation of what service(s) the program provides, purpose of the program, and how services are provided.
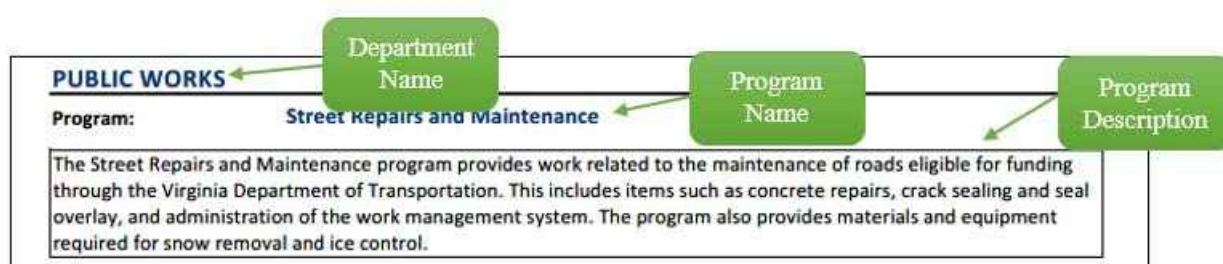
The **customers** the program serves are located beneath the program description. The type of customers each program could serve includes residents, businesses, visitors, and city agencies. Each program can serve multiple customers including external and internal customers.

The **Goal Statement** provides the desired intended outcome of the program. This statement along with performance measures are used to help determine whether a program is meeting the necessary level of demand.

Service Objective:

Infrastructure and Connectivity

Customers Served:

Residents   Businesses   City Agencies   **Tourists/Visitors**

Goal Statement:

To provide ongoing street maintenance and make repairs to city streets timely and within budget.

Each Program Budget page includes an icon to indicate which of the seven **Service Objective** the program is most closely aligned with. For additional information on Service Objectives, please see the Strategic Goals and Objectives section of this document.

Program Attributes

Each program has five major attributes that assist in providing a quick overview of the program.

Mandate	Reliance	Cost Recovery	Population Served	Demand
Discretionary	City is Sole Provider	Yes	Majority of Population Benefits	Meets Demand – Exceeds
Federal/State Mandate			Less than 50% of Population Benefits	Meets Demand - Maintains
City Mandate	Other Entities Provide this Service	No	Less than 10% of Population Benefits	Does Not Meet Demand

These attributes are:

Mandate – Informs the reader as to the whether the program has required functions through legislation at the city, state, or federal level. Programs that are not mandated are classified as discretionary. Categories are Discretionary, Federal/State Mandate, and City Mandate.

Reliance – Answers the question, "Is the city the sole provider of the service in the market." Programs are classified into two categories – City is Sole Provider or Other Entities Provide this Service.

Cost Recovery – Details whether the program has revenue tied to it and the types of revenue. Programs can fall into one of four categories: Program Revenues, Grants, Program Revenue and Grants, or No Revenues.

Population Served – City programs serve a variety of people. Population is defined as the customers the program serves. This could be an internal program providing service to city employees or an external program providing service to businesses and residents. The programs can be classified as Majority of the Population Benefits, Less than 50 percent of the Population Benefits, and Less than ten percent of the Population Benefits.

Demand – Details whether a program has the resources necessary to meet the established standard for each service. Standards are set by compliance regulations or a well-defined expectation. The program's ability to meet that standard fall into one of three categories: Does Not Meet Demand, Meets Demand – Maintains, or Meets Demand – Exceeds.

Performance Measures

FY 2023 is a transition year for program performance measures therefore historical data for some measures may not be applicable. Performance measure data in collaboration with the intended outcome of a program is used to help determine whether a program is meeting the necessary level of demand. Each metric is reported as an annual calculation for each fiscal year. Actual data is data that has been fully collected and calculated after a fiscal year has ended. A projection is simply what the program expects to be able to accomplish by the end of the fiscal year. The metric is the standard or target that is set for each measure. The standards for demand metrics are rooted in either best practices, historical performance, industry regulations, leadership expectation or backlog.

Performance Measures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Projection	FY 2023 Proposed	Metric
Feet of sidewalk repaired or replaced per fiscal year	N/A	N/A	2,500	2,500	3,000
Number of potholes repaired per year	N/A	N/A	650	650	800
Number of roadway lane miles resurfaced per year	72	26	53	55	65

Adjustments to FY 2023 Program Base Budget

Each program will include a section that summarizes cost adjustments in FY 2023 required to maintain the same level of service provided in the prior year. Some programs will show updates for specific contracts and agreements as well as a net adjustment for central budget actions. A summary of each of these actions is provided in the following section. They are all routine adjustments that occur during each budget cycle.

Adjustments to Baseline Service Level Cost:

	FY 2023	FTE
Remove one-time funds for vehicles and equipment	(165,000)	0.0
Technical adjustment to remove one-time funds provided in FY 2022 for vehicles and equipment to assist with median beautification and litter removal citywide.		
Transfer Litter Crew	(351,816)	-12.0
Technical adjustment to transfer a Litter crew from the Department of Public Works to the Norfolk Parks and Recreation. The transfer includes 12 positions, as well as nonpersonnel funds to support the Litter Crew. The Litter Crew will assist with removing litter and maintaining city property. A corresponding adjustment can be found in the Department of Parks and Recreation.		
Update base program costs	216,816	0.0
Technical adjustment to update program costs for citywide budget actions. Changes include personnel adjustments for approved permanent positions, healthcare enrollment, retirement contributions, and the citywide salary increase effective July 1, 2021. In addition, if applicable, adjustments for annual fleet expenditures based on maintenance and fuel for vehicles used for operations are also included. These are routine adjustments that occur each budget cycle.		
Total	(300,000)	-12.0

Central Budget Actions:

The Department of Budget and Strategic Planning budgets for several items centrally and then allocates the appropriate portion to each department. Items budgeted centrally are personnel adjustments for approved permanent positions, healthcare enrollment, retirement contributions, and citywide salary increases. In addition, if applicable, adjustments for annual fleet expenditures based on maintenance and fuel for vehicles used for operations are budgeted centrally. Additional information regarding each adjustment is included in the following section. Refer to department's program budget pages for a summary of each central budget action by program.

Personnel Upload: Adjustments to personnel expenditures reflect an update to the department's budget for positions, based on actual salaries for filled positions and minimum salaries for vacant positions. Changes include updates to staffing due to administrative actions and the funds needed in FY 2023 for such actions.

Healthcare: The Norfolk Healthcare Consortium agreed to increase plan year 2023 rates by six percent. The new rates will be effective December 2022.

Retirement: Technical adjustment for the annual required contribution to the Norfolk Employees' Retirement System (NERS). Retirement contributions are based on a formula that calculates funds needed to meet present and future retirement payments. The contribution rate for the city will decrease from 21.2 percent to 15.7 percent of eligible payroll in FY 2023. Costs are distributed to departments based on each department's NERS eligible payroll.

Compensation: Provide funds for a compensation increase for city employees. FY 2023 compensation actions include: a five percent salary increase for general, sworn Police and Fire-Rescue employees, and constitutional officer employees; a two percent increase to minimum and maximum pay across all non-sworn classifications and grades; a 2.5 percent increase to minimum and five percent increase to maximum pay across all sworn classifications; and the corresponding funds to support new minimum salary cost for approved vacant positions; and an increase to the permanent employee living wage adjustment. All actions will be effective July 2022.

Fleet: Adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations.

Table 4: Total Citywide Central Budget Actions for FY 2023 Proposed Budget

Central Budget Actions	General Fund	Nongeneral Funds	Total All Funds
Personnel Upload	($1,545,119)	$11,596,695	$1,065,530
Compensation	$11,596,695	$2,610,649	$10,083,409
Retirement	($8,478,132)	($1,513,286)	($7,837,246)
Healthcare	$1,892,062	$640,886	$2,193,857
Fleet	$372,256	$301,795	$14,008,995
Grand Total	**$3,837,762**	**$13,636,739**	**$19,514,545**

Proposed Service Level Changes in FY 2023

This section highlights any resource enhancements to the program that have been recommended by the City Manager in his Proposed Budget, including amount, full-time equivalent staffing (FTEs), and a short description explaining the nature of the enhancement and what it will help accomplish or improve with service level delivery.

Proposed Service Level Changes:

	FY 2023	FTE
Provide funds for road resurfacing equipment	300,000	0.0
Provide funds for the purchase of a pothole spray injection patcher which will be used by the Streets Repairs and Maintenance program. The machine will be used to patch potholes across the city in a more timely and cost effective manner, and the methods used by the machine will result in longer lasting pothole patches.		
Total	**300,000**	**0.0**

Requested but Not Funded

This section shows enhancements that were requested by the Department but not recommended for funding by the City Manager in his Proposed FY 2023 Budget.

Requested but Not Funded Service Level Changes:
No requested but not funded Service Level changes.

Financial Summary

The last section includes two tables that summarize the resource allocation in FY 2023 for the program. The first table is an expenditure summary reflecting Adopted FY 2022 and proposed FY 2023 resource allocation by major expenditure categories. The second table is a summary of personnel or full-time equivalents (FTEs) associated with the program, if applicable.

Expenditure Summary

	FY 2022 Adopted	FY 2023 Proposed
Personnel Services	5,709,129	5,709,129
Materials, Supplies, and Repairs	2,090,879	2,090,879
Contractual Services	147,030	147,030
Equipment	215,071	215,071
Department Specific Appropriation	5,878,321	5,878,321
Total	**14,040,430**	**14,040,430**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2022 Adopted	FTE Change	FY 2023 Proposed
Administrative Assistant II	1 10	$39,226	$63,965	1.0	0.0	1.0
Administrative Technician	1 07	$30,878	$50,389	2.0	0.0	2.0
Asphalt Plant Operator II	1 09	$36,188	$59,003	1.0	0.0	1.0
Assistant City Engineer	1 19	$76,620	$124,607	1.0	0.0	1.0
Assistant Streets Engineer	1 15	$59,164	$96,734	1.0	0.0	1.0
Automotive Mechanic	1 10	$39,226	$63,965	1.0	0.0	1.0
Bridge Inspection Supervisor	1 13	$50,243	$84,924	1.0	0.0	1.0
Bridge Maintenance Supervisor	1 13	$50,243	$84,924	1.0	0.0	1.0
Building / Equipment Maintenance Supervisor	1 11	$42,870	$69,955	1.0	0.0	1.0
Business Manager	1 13	$50,243	$84,924	1.0	0.0	1.0
Construction Inspector I	1 09	$36,188	$59,003	1.0	0.0	1.0
Construction Inspector II	1 11	$42,870	$69,955	1.0	0.0	1.0
Construction Inspector III	1 12	$46,583	$75,967	2.0	0.0	2.0
Crew Leader I	1 09	$36,188	$59,003	3.0	-3.0	0.0
Design/Construction Project Manager, Senior	1 17	$67,512	$110,179	2.0	0.0	2.0
Equipment Operator II	1 07	$30,878	$50,389	17.0	0.0	17.0
Equipment Operator III	1 08	$33,413	$54,488	9.0	0.0	9.0
Equipment Operator IV	1 09	$36,188	$59,003	1.0	0.0	1.0
Geographic Information Systems Specialist II	1 12	$46,583	$75,967	1.0	0.0	1.0
Groundskeeper	1 04	$28,591	$39,973	9.0	-9.0	0.0
Lead Mason	1 07	$30,878	$50,389	5.0	0.0	5.0
Maintenance Mechanic I	1 06	$29,166	$47,001	1.0	0.0	1.0
Maintenance Worker I	1 04	$28,591	$39,973	8.0	0.0	8.0
Maintenance Worker II	1 06	$29,166	$47,001	8.0	0.0	8.0
Mason	1 06	$29,166	$47,001	6.0	0.0	6.0
Project Manager	1 16	$63,193	$103,030	1.0	0.0	1.0
Staff Technician II	1 09	$36,188	$59,003	1.0	0.0	1.0
Street Maintenance Supervisor	1 10	$39,226	$63,965	9.0	0.0	9.0
Utility Maintenance Supervisor, Senior	1 13	$50,243	$84,924	2.0	0.0	2.0
Total				**98.0**	**-12.0**	**86.0**

Supplemental Tables

A. Top 25 Citywide Programs sorted by Highest Resource Allocation

B. Top 25 Citywide Programs sorted by Highest Number of FTEs

C. Funding by Mandate Type

A. Top 25 Citywide Programs Sorted by Highest Resource Allocation to Lowest

Program	Department	FY 2023 Proposed Amount
State, Federal, and other K-12 Education funding	Norfolk Public Schools	$237,830,915
Local K-12 Education funding	Norfolk Public Schools	$140,290,124
Benefits Administration	Healthcare Fund	$104,627,259
Debt Service	Debt Service	$87,009,437
Sheriff and Jail	Sheriff	$41,391,450
Debt Service	Water (Utilities)	$37,864,969
Patrol Services	Police	$37,223,791
Director's Office	Water (Utilities)	$24,064,438
Water Production	Water (Utilities)	$22,963,554
Emergency Medical Services (EMS) Transport	Fire-Rescue	$21,935,152
Wastewater Operations	Wastewater (Utilities)	$20,991,121
Public Transportation	Outside Agencies	$20,777,700
Fire-Rescue Services	Fire-Rescue	$19,828,402
Family Services and Foster Care	Human Services	$19,271,704
Refuse Collection	Waste Management	$17,720,690
Crime Investigations	Police	$17,616,934
Benefit Administration and Adult Assistance	Human Services	$16,808,219
Debt Service	Wastewater (Utilities)	$16,498,782
Street Repairs and Maintenance	Public Works	$14,671,688
Norfolk Arts and Culture Consortium	Outside Agencies	$12,638,605
Debt Service	Parking Facilities Fund	$10,500,000
Facility Maintenance and Repair	General Services	$10,015,523
Water Distribution	Water (Utilities)	$9,670,628
Park and Forestry Operations	Parks and Recreation	$8,829,204
Public Amenities	Public Amenities	$8,639,216

B. Top 25 Citywide Programs Sorted by Highest Number of FTE's

Program	Department	FTE's	FY 2023 Proposed Amount
Sheriff	Sheriff and Jail	442	$41,391,450
Patrol Services	Police	422	$37,223,791
Fire-Rescue Services	Fire-Rescue	225	$19,828,402
Benefit Administration and Adult Assistance	Human Services	223	$16,808,219
Emergency Medical Services (EMS) Transport	Fire-Rescue	212	$21,935,152
Crime Investigations	Police	175	$17,616,934
Park and Forestry Operations	Parks and Recreation	123	$8,829,204
Family Services and Foster Care	Human Services	117	$19,271,704
Wastewater Operations	Wastewater (Utilities)	102	$20,991,121
Water Distribution	Water (Utilities)	95	$9,670,628
Water Production	Water (Utilities)	93	$22,963,554
Facility Maintenance and Repair	General Services	88	$10,015,523
Street Repairs and Maintenance	Public Works	86	$14,671,688
Refuse Collection	Waste Management	85	$17,720,690
Crisis, Acute and Recovery Services	Norfolk Community Services Board	81	$7,865,061
Behavioral Health Community Support	Norfolk Community Services Board	76	$5,536,546
911 Emergency Communications	Emergency Preparedness and Response	73	$5,057,679
Juvenile Detention and Court Services	Human Services	67	$6,543,642
Branch Operations	Libraries	65	$5,360,495
Commonwealth's Attorney	Commonwealth's Attorney	64	$6,828,146
Developmental and Youth Services	Norfolk Community Services Board	62	$6,049,258
Records Management	Police	58	$4,416,675
Training and Education	Fire-Rescue	52	$4,032,566
Storm Water Infrastructure Operations and Maintenance	Storm Water Management	50	$5,160,948
Training	Police	50	$4,227,523

C. Funding by Mandate Type

Funding Type	FY 2023 Proposed Amount
Federal/State Mandate	$376,857,664
City Mandate	$369,792,125
Discretionary	$161,687,664
Total	**$908,337,453**

*Table does not include Norfolk Public Schools, Constitutionals, City Council Appointees, and Courts.

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